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April 21, 2023

BY ECF

Hon. Lorna G. Schofield
Thurgood Marshall U.S. Courthouse
40 Foley Square
New York, NY 10007

Re: *Cypress Holdings, III, L.P. v. Hall*, No. 1:22-cv-1243 (LGS)
Sport-BLX, Inc. v. Salerno, No. 1:22-cv-8111 (LGS)

Dear Judge Schofield:

We represent Sport-BLX, Inc. (“Sport-BLX”), Clinton Group, Inc. (“Clinton Group”), Sport-BLX Securities, Inc. (“Sport-BLX Securities”), Cesar Baez, Christopher Johnson, and George Hall (collectively, the “Sport-BLX Parties”) in *Cypress Holdings, III, L.P. v. Hall, et al.*, No. 22-cv-01243 (LGS) (the “Cypress Action”). We also represent Sport-BLX in *Sport-BLX, Inc. v. Salerno, et al.*, No. 22-cv-08111 (LGS) (the “Sport-BLX Action,” together with the Cypress Action, the “Actions”). On October 13, 2022, the Court ordered that the Actions be “coordinated for purposes of discovery.” Cypress Action, ECF No. 56; Sport-BLX Action, ECF No. 11. Pursuant to Paragraph 13(a) of the Amended Civil Case Management Plan and Scheduling Order entered in the Actions on February 27, 2023, the parties to the Actions submit this Joint Status Letter in accordance with Rule IV.A.2 of Your Honor’s Individual Rules and Procedures for Civil Cases (“Individual Rules”). See Cypress Action, ECF No. 95; Sport-BLX Action, ECF No. 38.

For a complete background on the procedural history of the Actions to date, the parties respectfully refer the Court to the parties’ Joint Status Letter of March 22, 2023. Cypress Action, ECF No. 98; Sport-BLX Action, ECF No. 43. We offer the following information to provide an update on the proceedings in the Actions over the past 30 days.

MORVILLO ABRAMOWITZ GRAND JASON & ANELLO P.C.

Hon. Lorna G. Schofield
April 21, 2023
Page 2

I. Discovery

a. Production of Documents

On March 31, 2023, Sport-BLX served a production of 64 pages, for a total of 264,451 pages produced as of that date. On the same day, Mr. Hall served a production of 861 pages, for a total of 1,024 pages produced as of that date; Mr. Baez served a production of 818 pages, for a total of 818 pages produced as of that date; and Mr. Johnson served a production of 41 pages, for a total of 41 pages produced as of that date. On April 14 and 18, 2023, Sport-BLX served a production of 1,044 pages, for a total of 265,495 pages produced as of that date. Additionally, on April 14, 2023, Clinton Group served a production of 198 pages, for a total of 34,132 pages produced as of that date. The Sport-BLX Parties have substantially completed their document production.

On March 17, 2023, GlassBridge Enterprises, Inc. (“GlassBridge”) served a production of 1,942 pages. On March 27, 2023, GlassBridge served a production of 3,240 pages, for a total of 5,183 pages produced as of that date. On March 31, 2023, GlassBridge, Daniel Strauss, and Francis Ruchalski (collectively, the “GlassBridge Parties”) produced 1,694 pages of documents, for a total of 6,877 pages produced as of that date. The GlassBridge Parties anticipate making a substantial additional production today and that their production of documents will be substantially complete thereafter.

On April 3, 2023, Cypress Holdings, III, L.P. (“Cypress”) and Michael M. Salerno (collectively, the “Cypress Parties”) served a production of 71 pages, for a total of 3,457 pages produced as of that date.

The Cypress Parties have requested the Sport-BLX Parties and the GlassBridge Parties to provide a date certain by which their respective document productions will be completed. As noted above, neither the Sport-BLX Parties’ nor the GlassBridge Parties’ productions have been completed and no date certain has been provided. As such, an adjournment of the agreed-upon deposition dates (as set forth below) may be necessary to enable the Cypress Parties to properly review those productions once confirmation is received that they are finalized and no deficiencies remain.

The Non-Cypress Parties disagree with the Cypress Parties’ characterization of document discovery to date. The Non-Cypress Parties have represented that their document discovery (amounting to more than 300,000 pages of electronic discovery) will be substantially complete as of today; their document discovery has not been the cause for the delay in completing fact discovery. Rather, the delays have been occasioned by the unavailability of the Cypress Parties’ counsel and Mr. Salerno’s unavailability based on a medical procedure. There is no legitimate basis for delaying depositions from moving forward.

MORVILLO ABRAMOWITZ GRAND JASON & ANELLO P.C.

Hon. Lorna G. Schofield
April 21, 2023
Page 3

b. Discovery Requests and Responses

On March 23, 2023, Cypress served its responses and objections to Joseph De Perio's First Set of Requests for Admission. On April 3, 2023, the Cypress Parties served their Responses and Objections to Sport-BLX and Mr. Hall's Second Set of Interrogatories and Second Requests for Production of Documents to the Cypress Parties. On April 4, 2023, non-party Fintech Debt Corp. served its Responses and Objections to the Cypress Parties' Subpoena for the Production of Documents. On April 6, 2023, Sport-BLX and Mr. Hall served their Third Set of Requests for Production of Documents to the Cypress Parties.

c. Depositions

The parties have begun depositions. The deposition of non-party Tim Cross occurred on April 20, 2023, and the deposition of non-party Christopher Sansone is scheduled for April 24, 2023. The following additional depositions have been scheduled in the coming weeks:

- | | |
|------------------------|-----------------------|
| • Mr. Salerno | May 1 and May 8, 2023 |
| • Non-party Marc Gross | May 3, 2023 |
| • Non-party David Roth | May 4, 2023 |
| • Mr. Hall | May 11, 2023 |

The parties are unlikely to be able to complete depositions of all parties and non-parties by the Court's May 16, 2023 deadline for the completion of fact discovery, *see* Cypress Action, ECF No. 95; Sport-BLX Action, ECF No. 38, and thus anticipate making a joint application for a short extension of time to complete discovery. Subject to such an extension being granted, the parties have agreed to Mr. De Perio being deposed in late May or early June 2023, Mr. Ruchalski being deposed on May 25, 2023, and Mr. Strauss on May 31, 2023. The depositions of Mr. Baez and Mr. Johnson will also need to be scheduled and the parties are attempting to schedule depositions for non-parties Allen Cohen and Sam Christopher in May or June 2023. Additionally, the Sport-BLX parties intend to seek an order permitting substituted service of a deposition subpoena on non-party Dennis Nathan, whose deposition likely will be scheduled soon thereafter.

Thank you for Your Honor's consideration in this matter.

MORVILLO ABRAMOWITZ GRAND JASON & ANELLO P.C.

Hon. Lorna G. Schofield
April 21, 2023
Page 4

Respectfully submitted,

/s/ Jonathan S. Sack

Jonathan S. Sack

cc: Counsel of record (by ECF)